

Semi-annual results 2019

Sharp increase in sales

- Opening of 7 550 sq.m. of new sales area
- Increase of total revenue by +12%
- Increase of Net Income by 20%

The Board of Directors of the company Label'Vie SA met, under the presidency of Mr. Zouhair Bennani, on Tuesday 17 September 2019 at the administrative headquarters of the company and proceeded to the closing of the accounts on 30/06/2019.

In the first half of 2019, the Label'Vie Group **achieved a consolidated revenue of 4,683 million dirhams**, up **+12%** compared to 2018.

Turnover

4 683 MDH
+12%

This evolution is the result of a significant growth in Group sales with a comparable scope of +7% and the good performance achieved by all business segments:

- Carrefour Market (supermarket) segment recorded a **12%** increase in sales compared to the same period in 2018,
- Carrefour (hypermarket) segment recorded a **9%** increase in sales compared to the same period in 2018,
- Atacadao (hypercash) segment recorded a **13%** increase in sales compared to the same period in 2018,

Gross operating Income

323 MDH
+9%

The Gross Operating Income recorded a **+9%** growth compared to 2018, reaching 323,3 MADm.

Net income

169 MDH
+20%

The Group's Net consolidated Income increased by 20% compared to H1-2018 and reached 169MAD as of June 30th 2019.

Development and perspectives

In order to strengthen its strategic positioning as a multi-formats player, the Group intends to continue its development and opening strategy. Adding to the existence retail park, six new outlets are set to open in the second half of 2019. By December 31st 2019, the Label'Vie Group will count 105 stores.

The Group also intends to maintain the upward trend of its various economic and financial indicators in line with the objectives that were set out.

The Executive Board
Communication Manager: Amine Bennis

Principles and rules of Consolidation

1- Accounting Standard

Label'Vie S.A Consolidated accounts are established according to the Moroccan Norms as prescribed by the Accounting National Council (Conseil National de Comptabilité)

2- Scope of Consolidation

Consolidated accounts for Label'Vie S.A comprise the following companies :

- Hypermarché LV, S.A.S on which LABEL'VIE S.A exercises a control of 95%
- Maxi LV, S.A.S, on which Label'Vie S.A exercises a control of 95%.
- Service - LV, on which Label'Vie S.A exercises a control of 100%.
- Mobi Market , on which Label'Vie S.A exercises a control of 100%.

Scope of Consolidation of Label'Vie Group

COMPANY NAME	2018			2019		
	CONTROL RATE	INTEREST RATE	CONSOLIDATED METHOD	CONTROL RATE	INTEREST RATE	CONSOLIDATED METHOD
LABEL'VIE, S.A			PARENT COMPANY (*)			PARENT COMPANY (*)
HLV	95%	95%	FULL CONSOLIDATION	95%	95%	FULL CONSOLIDATION
"ARADEI CAPITAL (EX VECTEUR LV)"	0%	58%	NON CONSOLIDATED (*)	0%	58%	NON CONSOLIDATED (*)
MAXI LV S.A.S	95%	95%	FULL CONSOLIDATION	95%	95%	FULL CONSOLIDATION
SERVICE - LV	100%	100%	FULL CONSOLIDATION	100%	100%	FULL CONSOLIDATION
MOBI MARKET	50%	50%	PROPORTIONAL CONSOLIDATION	100%	100%	PROPORTIONAL CONSOLIDATION

(*) Consolidating entity

On the 30th of June 2018, Label'Vie held 58% of its subsidiary, Aradei Capital (Ex Vecteur VLV), which is managed by an independent Asset Manager, completely independent of the company's shareholders.

3- Consolidation methods

«The companies controlled by Label'Vie Group are fully consolidated. Label'Vie controls a subsidiary when it can manage the financial and operational policies of an entity in order to benefit from its activities. The control exists when Label'Vie SA holds, directly or indirectly, more than half of voting rights of the subsidiary.» For Aradei Capital (Ex Vecteur LV), the Label'Vie Group has, since 2017, deviated from the consolidation rule through global integration because it does not exercise an effective monitoring on said company

4- Back-to-Back operations

Back-to-back accounts resulting from intercompany transactions are canceled,

5- Principal accounting policies

- Goodwill : Goodwill corresponds to the difference between the cost of acquisition and evaluation of assets and liabilities of the acquired companies, and is reported under «GoodWill».
- Intangible assets: they consist primarily of other deferred charges, Goodwill, software and licenses recognized at the acquisition cost. Software and other deferred charges are amortized over a period of 5 years.
- Tangible assets: They are stated at acquisition cost. Depreciation is calculated using the straight-line method using standard durations in Morocco. Thus, Buildings are depreciated over 20 years; technical equipment, machinery and tooling over 10 years; computer hardware over 5 years; and office equipment and furniture, fixtures and various furnishings over 10 years.
- Financial assets: They are primarily comprised of security deposits for over a year recorded at acquisition value.
- Debt in foreign currency; They are recognized at the exchange rate appearing on the date of entry, at the year end, exchange differences are recognized under unrealized translation adjustments. The provision for adverse deviation is taken into account in the income statement.

6- Earnings per share

Earnings per share are calculated by dividing consolidated net income by the number of shares outstanding at year-end.

BALANCE SHEETS - ASSETS (Modèle normal)				
ASSETS	EXERCICE			PREVIOUS YEAR NET
	GROSS	AMORT-PROV.	NET	
IMMOBILISATIONS EN NON VALEURS (A)				
. PRELIMINARY CHARGES				
. DEFERRED CHARGES OVER SEVERAL YEARS				
REDEMPTION PREMIUMS OF CONVERTIBLE BONDS				
INTANGIBLE ASSETS (B)	1 446 789 466,59	593 718 940,35	853 070 526,24	836 774 398,23
INTANGIBLE ASSETS IN R&D	1 042 450 921,78	562 230 784,13	480 220 137,65	464 399 982,56
PATENTS, TRADEMARKS AND SIMILAR RIGHTS AND VALUES	50 862 457,71	31 488 156,22	19 374 301,49	18 898 328,57
GOODWILL	353 476 087,10		353 476 087,10	353 476 087,10
. OTHER INTANGIBLE ASSETS				
FIXED ASSETS (C)	2 590 824 780,41	823 208 516,09	1 767 616 264,32	1 724 425 041,91
. LANDS	194 873 623,20		194 873 623,20	194 873 623,20
. CONSTRUCTIONS	733 227 032,08	126 225 883,80	607 001 148,28	607 262 931,50
. TECHNICAL INSTALLATIONS, MATERIALS AND TOOLS	754 801 121,33	396 695 878,56	358 105 242,77	362 684 653,80
. TRANSPORTATION EQUIPMENT	1 587 581,05	1 366 334,45	221 246,60	268 915,43
. FURNITURE, OFFICE EQUIPMENT AND DIFFERENT FITTINGS	725 154 034,80	267 037 885,97	458 116 148,83	442 177 838,26
. OTHER FIXED ASSETS	54 553 482,73	31 882 533,31	22 670 949,42	24 941 548,08
. ONGOING ASSETS	126 627 905,22		126 627 905,22	92 215 531,65
FINANCIAL ASSETS (D)	1 395 775 533,70		1 395 775 533,70	1 386 655 847,95
. FIXED LOANS				
. OTHER FINANCIAL RECEIVABLES	34 306 739,25		34 306 739,25	33 818 161,25
. EQUITY SECURITIES	1 361 468 794,45		1 361 468 794,45	1 352 837 686,70
. OTHER FIXED SECURITIES				
CURRENCY TRANSLATION - ASSETS (E)				
. DECREASE IN FIXED RECEIVABLES				
. INCREASE IN FINANCIAL DEBTS				
TOTAL I = (A+B+C+D+E)	5 433 389 780,70	1 416 927 456,44	4 016 462 324,26	3 947 855 288,09
STOCKS (F)	1 482 885 688,83	11 074 338,00	1 471 811 350,83	1 478 325 966,78
GOODS	1 468 709 567,20	11 074 338,00	1 457 635 229,20	1 466 527 924,54
MATERIAL AND SUPPLIES, CONSUMABLE	14 176 121,63		14 176 121,63	11 798 042,24
ONGOING PRODUCTS				
INTERMEDIARY AND RESIDUAL PRODUCTS				
FINISHED PRODUCTS				
OPERATING RECEIVABLES (G)	1 587 792 975,45	4 228 285,15	1 583 564 690,30	1 563 892 227,87
TRADE RECEIVABLES, DEPOSITS AND DOWN-PAYMENTS	120 267 366,33		120 267 366,33	101 677 705,27
CLIENTS AND RELATED ACCOUNTS	792 920 848,30	4 228 285,15	788 692 563,15	827 986 287,52
STAFF	18 506 884,59		18 506 884,59	15 233 247,36
STATE	495 299 372,39		495 299 372,39	465 267 589,72
. ASSOCIATES ACCOUNTS				
OTHER RECEIVABLES	115 836 143,06		115 836 143,06	128 634 783,77
PREPAYMENT AND ACCRUED INCOME	44 962 360,78		44 962 360,78	25 092 614,24
CASH AND INVESTMENT SECURITIES (H)	21 278 193,62		21 278 193,62	21 278 193,62
CURRENCY TRANSLATION - ASSETS (I)	18,96		18,96	946 135,10
CIRCULATING ELEMENTS				
TOTAL II (F + G + H + I)	3 091 956 876,86	15 302 623,15	3 076 654 253,71	3 064 442 523,37
CASH ASSET POSITION				
. CHECKS AND CASH VALUES	4 045 366,21		4 045 366,21	71 361 791,28
. BANKS, TG and CP	743 560 948,32		743 560 948,32	789 806 533,21
. MPREST AND FLOW-THROUGH-FUND	14 796 839,01		14 796 839,01	12 659 893,06
TOTAL III	762 403 153,54	-	762 403 153,54	873 828 217,54
OVERALL TOTAL (I + II + III)	9 287 749 811,10	1 432 230 079,59	7 855 519 731,51	7 886 126 029,00

BALANCE SHEET - LIABILITIES (normal model)			
LIABILITIES		EXERCICE	PREVIOUS YEAR
STOCKHOLDERS EQUITY (A)			
. PROVISIONS OF LIABILITIES		283 896 200,00	283 896 200,00
. PROVISIONS OF CHARGES			
CAPITAL APPELE DONT VERSE :			
. PRIME D'EMISSION, DE FUSION, D'APPORT		1 150 523 764,19	1 150 523 764,19
. ECARTS D'ACQUISITION			
. RESERVE LEGALE		28 389 620,00	28 389 620,00
. AUTRES RESERVES (RESERVES CONSOLIDEES)		95 298 391,15	28 647 711,80
. REPORT A NOUVEAU (2)		120 745 174,01	51 865 534,55
. RESULTATS NETS EN INSTANCE D'AFFECTATION (2)			
. RESULTAT NET CONSOLIDE		168 709 562,62	288 401 005,25
TOTAL STOCKHOLDERS EQUITY (A)		1 847 562 711,97	1 831 723 835,79
MINORITY INTERESTS (B)		18 577 172,51	15 412 646,93
. IMINORITY INTERESTS		18 577 172,51	15 412 646,93
FINANCING LIABILITIES (C)		2 324 981 364,43	2 307 390 075,63
. BOND ISSUES		1 500 000 000,00	1 500 000 000,00
. OTHER FINANCING LIABILITIES		824 981 364,43	807 390 075,63
FINANCING LIABILITIES (D)		7 660 585,28	6 406 151,79
. PROVISIONS OF LIABILITIES		7 660 585,28	6 406 151,79
. PROVISIONS OF CHARGES			
CURRENCY TRANSLATION - LIABILITIES (E)			
. INCREASE IN FIXED RECEIVABLES			
. DECREASE OF FINANCING LIABILITIES			
TOTAL I (A + B + C + D + E)		4 198 781 834,19	4 160 932 710,14
CURRENT LIABILITIES DEBTS (F)		3 206 574 892,33	3 350 783 860,30
. TRADE RECEIVABLES AND RELATED ACCOUNTS		2 692 364 031,21	3 039 239 729,91
. CUSTOMER PAYABLES,ADVANCES AND DOWN-PAYMENTS		45 078 259,75	42 202 075,84
. STAFF		6 870 514,16	7 049 368,37
. SOCIAL BODIES		18 225 572,06	14 652 618,93
. STATE		242 906 029,99	225 237 956,54
. ASSOCIATES ACCOUNTS		150 156 694,15	161 819,65
. OTHER ASSETS		2 694 157,67	4 895 336,14
. ACCRUALS AND DEFERRED INCOME		48 279 633,34	17 344 954,92
OTHER PROVISIONS FOR LIABILITIES AND CHARGES (G)		163 004,99	4 109 121,13
CURRENCY TRANSLATION - LIABILITIES (H)			300 337,44
TOTAL II (F + G + H)		3 206 737 897,32	3 355 193 318,87
LIABILITIES CASH FLOW			
. DISCOUNT CREDIT			
. CASH LOANS		450 000 000,00	370 000 000,00
. BANKS (CREDIT BALANCES)			
TOTAL III		450 000 000,00	370 000 000,00
OVERALL TOTAL I + II + III		7 855 519 731,51	7 886 126 029,00

INCOME STATEMENT (Excluding Tax)					
	OPERATIONS		TOTAL YEARS (1+2+)	TOT. PREV. YEAR at 06.30.2018	TOT. PREV. YEAR at 12.31.2018
	YEAR (1)	PREV. YEAR (2)			
OPERATING REVENUES					
. SALES OF GOODS (AS IT IS)	4 221 792 660,65		4 221 792 660,65	3 757 738 149,45	8 217 333 121,08
. SALES OF GOODS AND SERVICES PRODUCED	461 533 676,78	-55 470,05	461 478 206,73	407 036 934,97	815 623 473,54
CONSOLIDATED TURNOVER	4 683 326 337,43	-55 470,05	4 683 270 867,38	4 164 775 084,42	9 032 956 594,62
. CHANGE IN INVENTORY (+ -)					
. TANGIBLE ASSETS PRODUCED BY THE GROUP					
. OPERATING SUBSIDY					
. OTHER OPERATING REVENUES					
. REVERSALS; TRANSFER OF EXPENSES	58 961 690,68		58 961 690,68	50 664 313,88	103 434 347,78
TOTAL I	4 742 288 028,11	-55 470,05	4 742 232 558,06	4 215 439 398,29	9 136 390 942,40
OPERATING EXPENSES					
PURCHASED SERVICE RESOLD	3 751 356 496,07		3 751 356 496,07	3 321 064 149,45	7 246 696 558,41
CONSUMED PURCHASES OF MATERIALS AND SUPPLIES	100 062 362,33	-4 111,14	100 058 251,19	85 110 482,27	182 130 491,48
OTHER EXTERNAL EXPENSES	279 122 415,53	10 832,20	279 133 247,73	253 125 495,77	526 198 456,28
. TAXES	28 821 977,35		28 821 977,35	25 317 198,71	52 912 949,80
. STAFF EXPENSES	229 140 844,09		229 140 844,09	207 256 480,40	423 549 742,33
. OTHER OPERATING EXPENSES				56 827,89	60 389,83
. OPERATING ALLOCATIONS	155 880 356,73		155 880 356,73	135 576 158,09	278 153 618,83
TOTAL II	4 544 384 452,10	6 721,06	4 544 391 173,16	4 027 506 792,57	8 709 702 206,95
OPERATING INCOME (I-II) III	197 903 576,01	-62 191,11	197 841 384,90	187 932 605,72	426 688 735,45
FINANCIAL INCOME					
. INCOME FROM EQUITY SECURITIES AND FIXED SECURITIES	70 598 873,50		70 598 873,50	67 166 221,00	67 166 221,00
. EXCHANGE GAINS	591 292,10		591 292,10	847 939,55	3 171 140,98
. INTEREST AND OTHER FINANCIAL REVENUE	20 310 579,84		20 310 579,84	23 364 170,36	39 934 237,38
. FINANCIAL REVERSALS; TRANSFER OF EXPENSES	946 116,14		946 116,14	966 017,66	11 950 176,40
TOTAL IV	92 446 861,58		92 446 861,58	92 344 348,57	122 221 775,76
FINANCIAL EXPENSES					
. INTEREST CHARGES	69 585 459,52		69 585 459,52	69 398 188,36	137 621 208,14
. EXCHANGE LOSSES	738 885,49		738 885,49	2 733 267,22	3 915 140,42
. OTHER FINANCIAL EXPENSES	2 795 715,84		2 795 715,84	3 637 391,91	4 365 856,07
. FINANCIAL ALLOCATIONS					946 116,14
TOTAL V	73 120 060,85		73 120 060,85	75 768 847,49	146 848 320,77
FINANCIAL INCOME (IV-V) VI	19 326 800,73		19 326 800,73	16 575 501,08	-24 626 545,01
RECURRING OPERATING INCOME (III+VI) VII	217 230 376,74	-62 191,11	217 168 185,63	204 508 106,80	402 062 190,44
NON RECURRING PRODUCTS					
. PROCEEDS OF SALES OF FIXED ASSETS	113 442,71		113 442,71		91 994 211,48
. OPERATING SUBSIDY					
. REVERSALS ON INVESTMENT SUBSIDY					
. OTHER NON-RECURRING REVENUES	175 197,22	207 033,24	382 230,46	598 698,66	2 133 821,44
. OTHER NON-RECURRING REVERSALS; TRANSFER OF EXPENSES	4 564 175,82		4 564 175,82		386 744,98
TOTAL VIII	4 852 815,75	207 033,24	5 059 848,99	598 698,66	94 514 777,90
NON RECURRING EXPENSES					
. NET VALUE OF SOLD FIXED ASSET PREPAYMENT	94 974,25		94 974,25		55 817 246,66
. SUBSIDY GRANTED					
. OTHER NON-RECURRING EXPENSES	5 453 913,29		5 453 913,29	28 881 525,85	36 616 096,61
. NON-CURRENT ALLOCATIONS TO REPAYMENT AND PROVISIONS	2 877 175,85		2 877 175,85	2 404 269,62	6 232 119,82
TOTAL IX	8 426 063,39		8 426 063,39	31 285 795,47	98 665 463,09
NON-RECURRING INCOME (VIII-IX) X			-3 366 214,40	-30 687 096,81	-4 150 685,19
INCOME BEFORE TAXES (VII+X) XI			213 801 971,23	173 821 009,99	397 911 505,25
INCOME TAXES (XII)			45 092 408,61	33 672 289,00	109 510 500,00
NET INCOME (XI-XII)			168 709 562,62	140 148 720,99	288 401 005,25
TOTAL REVENUES (I+IV+VIII)			4 839 739 288,63	4 308 382 445,52	9 353 127 496,05
TOTAL EXPENSES (II+V+IX+XII)			4 671 029 706,01	4 168 233 724,53	9 064 726 490,81
GROUP'S PART NET INCOME			167 540 862,40	138 796 503,50	285 236 479,66
MINORITY PART NET INCOME			1 168 700,22	1 352 217,49	3 164 525,59



Label'Vie S.A.

STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
PERIOD FROM JANUARY 1ST TO JUNE 30TH, 2019

As statutory auditors of Label'Vie SA, we have conducted a limited review of the consolidated interim financial statements for the period from January 1st to June 30th, 2019 - as appended to this report- which includes the balance-sheet and the statement of income. These consolidated interim financial statements, which shows a total equity of 1 866 139 884,48 MAD including a consolidated net profit of 168 709 562,62 MAD, are the responsibility of the company's management. Our responsibility is to express a conclusion on these consolidated interim financial statements based on our limited review.

We have conducted our limited review in accordance with the professional standards applicable in Morocco. A limited review consists mainly in making inquiries of members of management responsible for accounting and financial matters and applying analytical procedures. It is less in scope than an audit conducted in accordance with generally accepted audit standards in Morocco. Accordingly, a limited review provides a moderate assurance that the consolidated interim financial statements as a whole are free of material misstatement and a lesser assurance than would result from an audit.

Based on our limited review, we have identified no material irregularities that would indicate that the enclosed consolidated interim financial statements are inconsistent with the generally accepted accounting principles in Morocco.

Rabat, September 18th, 2019

Free translation from the original French version

The Statutory Auditors

Horwath Maroc Audit

World Conseil & Audit

HORWATH MAROC AUDIT
11, Rue Al Khawassat, 20100, Rabat
Tél : 0537 77 50 70, 71
Fax : 0537 77 46 76

WORLD CONSEIL & AUDIT
12, Rue Al Khawassat, 20100, Rabat
Tél : 0537 77 50 70, 71
Fax : 0537 77 46 76

Adib BENBRAHIM

Omar SEKKAT

BALANCE SHEETS - ASSETS (Modèle normal)				
ASSETS	EXERCICE			PREVIOUS YEAR
	GROSS	AMORT-PROV.	NET	NET
NON-MONETARY INTANGIBLE ASSETS (A)	716 724 657,98	330 054 833,16	386 669 824,82	373 008 402,75
. PRELIMINARY CHARGES	41 838,00	32 900,00	8 938,00	
. DEFERRED CHARGES OVER SEVERAL YEARS	716 682 819,98	330 021 933,16	386 660 886,82	373 008 402,75
REDEMPTION PREMIUMS OF CONVERTIBLE BONDS				
IMMOBILISATIONS INCORPORELLES (B)	204 565 920,13	28 935 479,25	175 630 440,88	175 027 966,27
INTANGIBLE ASSETS IN R&D				
PATENTS, TRADEMARKS AND SIMILAR RIGHTS AND VALUES	47 826 499,70	28 935 479,25	18 891 020,45	18 288 545,84
GOODWILL	156 739 420,43		156 739 420,43	156 739 420,43
. OTHER INTANGIBLE ASSETS				
IMMOBILISATIONS CORPORELLES (C)	2 008 654 153,98	528 479 126,86	1 480 175 027,12	1 417 517 819,90
. TERRAINS	194 873 623,20		194 873 623,20	194 873 623,20
. CONSTRUCTIONS	714 490 776,75	122 995 116,29	591 495 660,46	591 365 747,45
. INSTAL. TECHNIQUES, MATERIEL ET OUTILLAGE	454 328 690,10	227 227 515,04	227 101 175,06	219 435 302,08
. MATERIEL DE TRANSPORT	1 542 053,53	1 345 508,95	196 544,58	248 372,77
. MOBILIER, MAT. DE BUREAU ET AMENAG. DIVERS	522 986 936,27	176 910 986,58	346 075 949,69	323 120 624,34
. AUTRES IMMOBILISATIONS CORPORELLES				
. IMMOBILISATIONS CORPORELLES EN COURS	120 432 074,13		120 432 074,13	88 474 150,06
IMMOBILISATIONS FINANCIERES (D)	1 655 335 078,18		1 655 335 078,18	1 644 725 881,62
. FIXED LOANS				
. OTHER FINANCIAL RECEIVABLES	17 761 772,92		17 761 772,92	17 273 194,92
. EQUITY SECURITIES	1 637 573 305,26		1 637 573 305,26	1 627 452 686,70
. OTHER FIXED SECURITIES				
ECART DE CONVERSION - ACTIF (E)				
. DECREASE IN FIXED RECEIVABLES				
. INCREASE IN FINANCIAL DEBTS				
TOTAL I = (A + B + C + D + E)	4 585 279 810,27	887 469 439,27	3 697 810 371,00	3 610 280 070,54
STOCKS (F)	713 182 283,89		713 182 283,89	691 723 493,50
GOODS	701 586 618,65		701 586 618,65	681 829 716,99
MATERIAL AND SUPPLIES, CONSUMABLE	11 595 665,24		11 595 665,24	9 893 776,51
ONGOING PRODUCTS				
INTERMEDIARY AND RESIDUAL PRODUCTS				
FINISHED PRODUCTS				
CREANCES DE L'ACTIF CIRCULANT (G)	1 612 859 278,32	194 663,41	1 612 664 614,91	1 607 753 599,66
TRADE RECEIVABLES, DEPOSITS AND DOWN-PAYMENTS	61 393 323,74		61 393 323,74	41 625 273,46
CLIENTS AND RELATED ACCOUNTS	1 038 996 354,92	194 663,41	1 038 801 691,51	1 126 692 852,71
STAFF	14 334 142,57		14 334 142,57	12 695 301,02
STATE	288 464 719,47		288 464 719,47	269 114 268,97
. ASSOCIATES ACCOUNTS				
OTHER RECEIVABLES	174 090 427,18		174 090 427,18	133 004 907,62
PREPAYMENT AND ACCRUED INCOME	35 580 310,44		35 580 310,44	24 620 995,88
TITRES & VALEURS DE PLACEMENT (H)	7 048 081,12		7 048 081,12	7 048 081,12
ECARTS DE CONVERSION - ACTIF (I)				768 256,71
. CIRCULATING ELEMENTS				
TOTAL II (F + G + H + I)	2 333 089 643,33	194 663,41	2 332 894 979,92	2 307 293 430,99
TRESORERIE - ACTIF				
. CHECKS AND CASH VALUES	-5 513 421,79		-5 513 421,79	43 682 878,40
. BANKS, TG and CP	698 279 429,35		698 279 429,35	754 238 325,65
. MPREST AND FLOW-THROUGH-FUND	9 160 477,00		9 160 477,00	7 284 772,87
TOTAL III	701 926 484,56		701 926 484,56	805 205 976,92
TOTAL GENERAL (I + II + III)	7 620 295 938,16	887 664 102,68	6 732 631 835,48	6 722 779 478,45

BALANCE SHEET - LIABILITIES (normal model)			
LIABILITIES	EXERCICE	PREVIOUS YEAR	
STOCKHOLDERS EQUITY (A)			
. SOCIAL OR PERSONAL CAPITAL (1)	283 896 200,00	283 896 200,00	
LESS: SHAREHOLDERS UNCALLED SUBSCRIBED CAPITAL			
CALLED CAPITAL OF WHICH WAS TRANSFERRED :			
. ISSUE/MERGER AND TRANSFER PREMIUMS	1 150 523 764,19	1 150 523 764,19	
. REEVALUATION DIFFERENCES			
. LEGAL RESERVE	28 389 620,00	28 389 620,00	
. OTHER RESERVE (CONSOLIDATED RESERVES)			
. RETAINED EARNINGS (2)	120 745 174,01	51 865 534,55	
. NET INCOME PENDING ALLOCATION (2)			
. CONSOLIDATED NET INCOME	137 222 046,21	218 879 639,46	
TOTAL STOCKHOLDERS EQUITY (A)	1 720 776 804,41	1 733 554 758,20	
MINORITY INTERESTS (B)			
. MINORITY INTERESTS			
FINANCING LIABILITIES (C)	2 206 003 574,11	2 169 529 147,05	
. BOND ISSUES	1 500 000 000,00	1 500 000 000,00	
. OTHER FINANCING LIABILITIES	706 003 574,11	669 529 147,05	
FINANCING LIABILITIES (D)	5 486 778,39	3 687 657,33	
. PROVISIONS OF LIABILITIES	5 486 778,39	3 687 657,33	
. PROVISIONS OF CHARGES			
CURRENCY TRANSLATION - LIABILITIES (E)			
. INCREASE IN FIXED RECEIVABLES			
. DECREASE OF FINANCING LIABILITIES			
TOTAL I (A + B + C + D + E)	3 932 267 156,91	3 906 771 562,58	
CURRENT LIABILITIES DEBTS (F)	2 400 364 678,57	2 491 968 627,11	
. TRADE RECEIVABLES AND RELATED ACCOUNTS	1 376 005 261,92	1 589 792 508,60	
. CUSTOMER PAYABLES, ADVANCES AND DOWN-PAYMENTS	1 578 476,00	1 918 207,45	
. STAFF	1 053 622,79	998 841,08	
. SOCIAL BODIES	13 114 709,04	9 958 975,57	
. STATE	158 323 798,97	178 176 805,69	
. ASSOCIATES ACCOUNTS	150 156 694,15	161 819,65	
. OTHER ASSETS	653 713 394,85	695 097 822,10	
. ACCRUALS AND DEFERRED INCOME	46 418 720,85	15 863 646,97	
OTHER PROVISIONS FOR LIABILITIES AND CHARGES (G)		3 768 256,71	
CURRENCY TRANSLATION - LIABILITIES (H)		271 032,05	
TOTAL II (F + G + H)	2 400 364 678,57	2 496 007 915,87	
LIABILITIES CASH FLOW			
. DISCOUNT CREDIT			
. CASH LOANS	400 000 000,00	320 000 000,00	
. BANKS (CREDIT BALANCES)			
TOTAL III	400 000 000,00	320 000 000,00	
TOTAL GENERAL I + II + III	6 732 631 835,48	6 722 779 478,45	

INCOME STATEMENT (Excluding Tax)					
	OPERATIONS		TOTAL YEARS (1+2)	TOT. PREV. YEAR at 06.30.2018	TOT. PREV. YEAR at 12.31.2018
	YEAR (1)	PREV. YEAR (2)			
OPERATING REVENUES					
. SALES OF GOODS (AS IT IS)	1 919 040 747,26		1 919 040 747,26	1 716 926 115,96	3 755 437 686,45
. SALES OF GOODS AND SERVICES PRODUCED	296 480 239,34		296 480 239,34	235 962 276,44	513 910 286,95
CONSOLIDATED TURNOVER	2 215 520 986,60		2 215 520 986,60	1 952 888 392,40	4 269 347 973,40
. CHANGE IN INVENTORY (+ -)					
. TANGIBLE ASSETS PRODUCED BY THE GROUP					
. OPERATING SUBSIDY					
. OTHER OPERATING REVENUES					
. REVERSALS; TRANSFER OF EXPENSES	49 438 517,75		49 438 517,75	45 270 468,63	87 538 800,61
TOTAL I	2 264 959 504,35		2 264 959 504,35	1 998 158 861,03	4 356 886 774,01
OPERATING EXPENSES					
PURCHASED SERVICE RESOLD	1 650 355 130,98		1 650 355 130,98	1 467 746 251,95	3 213 559 041,24
CONSUMED PURCHASES OF MATERIALS AND SUPPLIES	63 345 951,69		63 345 951,69	51 063 671,16	108 092 016,54
OTHER EXTERNAL EXPENSES	137 232 239,28	4 393,36	137 236 632,64	116 740 635,30	249 349 696,36
. TAXES	13 380 637,32		13 380 637,32	11 594 949,48	24 356 649,24
. STAFF EXPENSES	138 470 398,97		138 470 398,97	125 458 556,20	255 539 321,26
. OTHER OPERATING EXPENSES					
. OPERATING ALLOCATIONS	106 083 597,50		106 083 597,50	87 052 546,60	178 534 367,17
TOTAL II	2 108 867 955,74	4 393,36	2 108 872 349,10	1 859 656 610,69	4 029 440 091,81
OPERATING INCOME (I-II) III	156 091 548,61	-4 393,36	156 087 155,25	138 502 250,34	327 446 682,20
FINANCIAL INCOME					
. INCOME FROM EQUITY SECURITIES AND FIXED SECURITIES	70 598 873,50		70 598 873,50	67 166 221,00	67 166 221,00
. EXCHANGE GAINS	561 936,92		561 936,92	685 958,64	2 326 386,97
. INTEREST AND OTHER FINANCIAL REVENUE	19 442 723,15		19 442 723,15	22 381 185,86	37 999 887,93
. FINANCIAL REVERSALS; TRANSFER OF EXPENSES	768 256,71		768 256,71	952 435,02	11 936 593,76
TOTAL IV	91 371 790,28		91 371 790,28	91 185 800,52	119 429 089,66
FINANCIAL EXPENSES					
. INTEREST CHARGES	83 553 231,70		83 553 231,70	78 506 613,92	159 998 821,92
. EXCHANGE LOSSES	616 220,42		616 220,42	2 023 537,37	3 152 556,25
. OTHER FINANCIAL EXPENSES	2 795 715,84		2 795 715,84	3 637 391,91	4 365 856,07
. FINANCIAL ALLOCATIONS					768 256,71
TOTAL V	86 965 167,96		86 965 167,96	84 167 543,20	168 285 490,95
FINANCIAL INCOME (IV-V) VI	4 406 622,32		4 406 622,32	7 018 257,32	-48 856 401,29
RECURRING OPERATING INCOME (III+VI) VII	160 498 170,93	-4 393,36	160 493 777,57	145 520 507,66	278 590 280,91
NON RECURRING PRODUCTS					
. PROCEEDS OF SALES OF FIXED ASSETS					91 692 579,10
. OPERATING SUBSIDY					
. REVERSALS ON INVESTMENT SUBSIDY					
. OTHER NON-RECURRING REVENUES	239,12	206 933,24	207 172,36	352 882,90	1 697 109,60
. OTHER NON-RECURRING REVERSALS; TRANSFER OF EXPENSES	3 977 876,39		3 977 876,39		144 040,96
TOTAL VIII	3 978 115,51	206 933,24	4 185 048,75	352 882,90	93 533 729,66
NON RECURRING EXPENSES					
. NET VALUE OF SOLD FIXED ASSET PREPAYMENT					55 625 981,25
. SUBSIDY GRANTED					
. OTHER NON-RECURRING EXPENSES	3 555 000,81		3 555 000,81	12 315 621,23	17 069 737,17
. NON-CURRENT ALLOCATIONS TO REPAYMENT AND PROVISIONS	2 776 997,45		2 776 997,45	2 033 437,19	5 831 138,69
TOTAL IX	6 331 998,26		6 331 998,26	14 349 058,42	78 526 858,11
NON-RECURRING INCOME (VIII-IX) X	-2 146 949,51		-2 146 949,51	-13 996 175,52	15 006 871,55
INCOME BEFORE TAXES (VII+X) XI			158 346 828,06	131 524 332,14	293 597 152,46
INCOME TAXES (XII)			21 124 781,85	20 527 289,00	74 717 513,00
NET INCOME (XI-XII)			137 222 046,21	110 997 043,14	218 879 639,46
TOTAL REVENUES (I+IV+VIII)			2 360 516 343,38	2 089 697 544,45	4 569 849 593,33
TOTAL EXPENSES (II+V+IX+XII)			2 223 294 297,17	1 978 700 501,31	4 350 969 953,87



Label'Vie S.A.

STATUTORY AUDITOR'S REPORT ON THE INTERIM FINANCIAL STATEMENTS
PERIOD FROM JANUARY 1st TO JUNE 30th, 2019

As statutory auditors of Label'Vie SA, we have conducted a limited review of the company accounts for the period from January 1st to June 30th, 2019 - as appended to this report- which includes the balance sheet and the statement of income. These interim financial statements, which shows a total equity of 1 720 776 804,41 MAD including a net profit of 137 222 046,21 MAD, are the responsibility of the company's management. Our responsibility is to express a conclusion on these financial statements based on the basis of our limited review.

We have conducted our limited review in accordance with the professional standards applicable in Morocco. A limited review consists mainly in making inquiries of members of management responsible for accounting and financial matters and applying analytical procedures. It is less in scope than an audit conducted in accordance with generally accepted audit standards in Morocco. Accordingly, a limited review provides a moderate assurance that the interim financial statements as a whole are free of material misstatement and a lesser assurance than would result from an audit.

Based on our limited review, we have identified no material irregularities that would indicate that the enclosed interim financial statements are inconsistent with the generally accepted accounting principles in Morocco.

Rabat, September 18th, 2019

Free translation from the original French version

The Statutory Auditors

Horwath Maroc Audit

World Conseil & Audit

HORWATH MAROC AUDIT
11, Rue Al Ghazal, Rabat 11000
Tél : 0537 77 44 70, 71
Fax : 0537 77 44 76

WORLD CONSEIL & AUDIT
12, Rue Al Ghazal, Rabat 11000
Tél : 0537 77 44 70, 71
Fax : 0537 77 44 76

Adib BENBRAHIM

Omar SEKKAT

TABLE OF CONSOLIDATED CASH FLOW		
Based on Operating Revenues of Incorporated Companies		
HEADINGS	'2019-S1	'2018
CONSOLIDATED OPERATING INCOME	197 841 384,90	426 688 735,45
CONSOLIDATED OPERATING ALLOCATIONS	154 510 439,19	278 383 964,48
CASH FLOW FROM OPERATIONS OF INCORPORATED COMPANIES	352 351 824,09	705 072 699,92
RECEIVED DIVIDENDS		
CHANGES IN OPERATIONAL WORKING CAPITAL REQUIREMENTS	160 667 151,89	78 001 907,68
- INVENTORY	-6 514 615,95	192 946 845,84
- OPERATING RECEIVABLES	18 726 346,29	125 717 293,38
- OPERATING LIABILITIES	-148 455 421,55	240 662 231,55
OPERATING CASH FLOW	191 684 672,21	627 070 792,25
FINANCIAL EXPENSES	73 120 060,85	146 848 320,77
FINANCIAL REVENUES	92 446 861,58	122 221 775,76
DIVIDENDS RECEIVED FROM EQUITY AFFILIATES	-	-
CORPORATION TAXES EXCLUDING CAPITAL GAINS TAXES	45 092 408,61	109 510 500,00
NON-CURRENT EXPENSES AND REVENUES	-566 073,55	-37 480 827,18
NET CASH FLOW FROM OPERATING ACTIVITIES	165 352 990,78	455 452 920,06
ACQUISITION OF ASSETS	215 765 108,29	520 160 667,85
DISPOSAL OF ASSETS	113 442,71	91 994 211,48
CHANGES IN LONG-TERM INVESTMENTS	9 119 685,75	1 758 506,46
CASH FLOW FROM INVESTMENT OPERATIONS	-224 771 351,33	-429 924 962,83
DIVIDENDS PAID TO PARENT COMPANY SHAREHOLDERS	-150 000 000,00	-150 000 000,00
CASH DIVIDEND DISTRIBUTION TO MINORITY INTERESTS	-	-
CAPITAL INCREASE	-	-
INCREASE OF FINANCIAL LIABILITIES	80 000 000,00	324 554 587,35
OTHERS	-	-
SCOPE of Consolidation	402 007,75	-
FINANCIAL DEBT REPAYMENT	-62 408 711,20	-120 902 741,21
CASH FLOW FROM FINANCING ACTIVITIES	-132 006 703,45	53 651 846,14
CASH FLOW VARIATION	-191 425 064,00	79 179 803,37
CASH AT THE BEGINING OF THE FISCAL YEAR	503 828 217,54	424 648 414,17
YEAR-END CASH FLOW	312 403 153,54	503 828 217,54

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY (GROUP SHARE)							
	CAPITAL	SHARE AND MERGER PREMIUMS	CONSOLIDATED RESERVES	NET INCOME GROUP SHARE	GROUP TOTAL	SHAREHOL- DERS EQUITY BY MINORITY	SHAREHOL- DERS EQUITY GROUP SHARE
SITUATION AT THE CLOSING DATE OF FISCAL YEAR 2018	283 896 200,00	1 150 523 764,19	124 315 513,28	288 401 005,25	1 847 136 482,71	15 412 646,92	1 831 723 835,79
INCOME APPROPRIATION			288 401 005,25	-288 401 005,25			
DIVIDENDS PAID			-150 000 000,00		-150 000 000,00		-150 000 000,00
MOVEMENT OF CAPITAL							
OTHER MOVEMENTS			293 839,15	168 709 562,62	169 003 401,77	3 164 525,59	169 003 401,77
SITUATION AT THE CLOSING DATE OF FISCAL YEAR 2017	283 896 200,00	1 150 523 764,19	263 010 357,67	168 709 562,62	1 866 139 884,48	18 577 172,51	1 847 562 711,97

FUNDING TABLE FOR THE FISCAL YEAR

I. TABLE OF INCOME DETERMINATION

MASSES	FY (a)	Previous FY (b)	Change a-b	
			Employment (c)	Ressources (d)
1 Permanent Funding		3 906 771 562,58		25 495 594,33
2 Less Current Assets		3 610 280 070,54	87 530 300,46	
3= FUNCTIONAL WORKING CAPITAL (1-2) (A)		296 491 492,04	62 034 706,13	
4 CURRENT ASSETS		2 307 293 430,99	25 601 548,93	
5 Less Current Liabilities		2 496 007 915,87	95 643 237,30	
6= BLOCK FUNDING NEED (4-5) (B)		-188 714 484,88	121 244 786,23	
7 NET CASH (ASSETS - LIABILITIES) = A-B		485 205 976,92		183 279 492,36

II. CASH FLOW (C.A.F) - SELF-FINANCING

	FY		PREVIOUS FY	
	EMPLOYMENT	RESOURCES	EMPLOYMENT	RESOURCES
I. STABLE RESOURCES FOR THE YEAR (FLOW)				
. SELF-FINANCING (A)		95 104 764,77		214 043 507,51
. Cash Flow		245 104 764,77		364 043 507,51
Profit Distribution		(150 000 000,00)		(150 000 000,00)
. DISPOSAL AND REDUCTION OF FIXED ASSETS (B)				91 692 579,10
. Disposal of Intangible Assets				
. Disposal of Fixed Assets				91 692 579,10
. Disposal of Financial Fixed Assets				
. Write-Backs of Long Term Receivables				
. INCREASE IN SHAREHOLDERS EQUITY AND QUASI-EQUITY (C)				
. Increase in Capital, Contributions				
. Impact of Dividends				
. INCREASE IN FINANCIAL LIABILITIES (D)		80 000 000,00		307 874 089,64
(Net of Redemption Premiums)				
TOTAL I – STABLE RESOURCES (A+B+C+D)		175 104 764,77		613 610 176,25
II. STABLE EMPLOYMENT ON THE YEAR (FLOW)				
. ACQUISITION AND INCREASE OF FIXED ASSETS €			260 308 547,68	
. Acquisition of Intangible Assets			5 643 117,79	
. Acquisition of Corporal Assets			252 906 923,43	
. Acquisition of Financial Assets			1 758 506,46	
. Increase of Non-Performing Loans				
. REPAYMENT OF SHAREHOLDERS EQUITY (F)				
. REPAYMENT OF FINANCIAL LIABILITIES (G)			79 464 608,38	
. EMPLOYMENT WRITTEN-OFF (H)			166 729 140,55	
TOTAL II – STABLE EMPLOYMENT (E+F+G+H)			506 502 296,61	
III. CHANGES IN BLOCK FUNDING NEED (BFG)			72 806 822,64	
IV. CHANGES IN CASH		183 279 492,36	34 301 057,00	
GENERAL TOTAL	358 384 257,13	358 384 257,13	613 610 176,25	613 610 176,25